

**From:** "Bob Wilson" <b.wilson@siareliance.com> on 10/02/2007 01:25:02 PM

**Subject:** Truth in Lending

To: Federal Reviewers of Credit Card Rules

From: Bob Wilson

Ref: Credit Card Abuses

I work in the insurance business in North Carolina and we are state regulated by a cabinet level, popularly elected official. From time to time throughout my career I heard discussion of how the insurance industry should be regulated by the federal government to prevent abuses the states won't address. Well, I see now how the Feds regulate the credit card industry, and that is... not at all! You should be horrified by what the for profit credit card companies are doing. Frankly, you are not doing what you should be doing to protect the public from these predators, and I don't understand why. I can only conclude consumers would benefit more from state regulation of credit cards.

I have had two Visa cards for at least the last 10 years. One card is with SharonView Federal Credit Union and the other card is with Capital One. In all that time I have never been late with a payment on either card and I usually paid more than the minimum. I recognize that I have high balances but I don't ever recall going over the limit I was authorized to charge. I was also never late on any other bills. In all that time the credit union Visa card rate remained at 8.9%. Capital One on the other hand never rests, They raised my rate without warning a couple of years ago to 16% then apologized and reduced it back down to 9.9. Two months ago they sent me a notice that they were going to raise my rate back up to 16 percent unless I cancelled the card immediately. The notice came in a little envelope that looked like one of their advertising brochures that I am constantly bombarded with and that I usually throw away. In fact my wife had thrown it away but I dug it out of the trash because I know it is only a matter of time before the other shoe falls. That is why as long as I owe them money, I will scrupulously read everything Capital One sends me. The only reason they gave for raising my rate was that they had not had a rate increase in a long time! Fortunately, Capital One gave me the option of cancelling the card and keeping the 9.9 rate. I have heard that there are credit card companies like Bank of America that don't even give you the option of cancelling. Just raise your rate without warning.

To compare practices, Insurance Companies do not raise rates midterm. They do it at renewal and they give sufficient notice. I should have been sent a certified letter advising me of a 60% rate increase on the Capital One card!

Capital One lies constantly to their card holders, they say their points never expire and they do, they say that they will not raise your rates and they do. They said they would never solicit card holders for other products and they do.

One final point, I read that the CEO of CapitalOne was paid \$250 Million dollars by the thieves on his board of directors, and that he was the highest paid CEO in America last year. \$250 million dollars of misery from the 100 million abused cardholders victims that provide for him. Shame on you for not putting a stop to this.

Sincerely,

Bob Wilson